

**IN THE UNITED STATES PATENT AND TRADEMARK OFFICE  
BEFORE THE BOARD OF PATENT APPEALS AND INTERFERENCES**

**On Appeal to the Board of  
Appeals and Interferences**

Appellant(s) : Ming-Sum FANG

Examiner: Calvin L. Hewitt II

Serial No. : 09/993,767

Art Unit: 3621

Filed : November 27, 2001

For : APPARATUS AND METHOD FOR DOWNLOADING  
CONFIGURATION DATA TO CARD TERMINALS AND FOR  
VIEWING ACTIVITY AT CARD TERMINALS

Confirmation No.: 7588

**BRIEF ON APPEAL**

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United States Patent and Trademark Office  
P.O. Box 1450  
Alexandria, VA 22313-1450

**BRIEF ON APPEAL**

On January 24, 2008, the U.S. Patent and Trademark Office (the "Patent Office") received a Notice of Appeal from the final rejection of claims 1, 3-5, 7, 8, 10, 11, 13-17, 20-23, 25-27, 29, 30, 32, 33, 35-39 and 42-69 contained in the Final Office Action issued by the Patent Office on September 24, 2007 in the above-identified patent application. On November 28, 2007, Appellant submitted an Amendment after Final Office Action ("Amendment after Final"), in which no claims were cancelled, amended, or added. After a receipt of a first Advisory Action dated January 10, 2008, Appellant submitted a Notice of Appeal on January 24, 2008.

In accordance with 37 C.F.R. § 41.37, this brief is being submitted in support of the appeal of the final rejection of pending claims 1, 3-5, 7, 8, 10, 11, 13-17,

20-23, 25-27, 29, 30, 32, 33, 35-39 and 42-69. For at least the reasons set forth below, the final rejection of pending claims 1, 3-5, 7, 8, 10, 11, 13-17, 20-23, 25-27, 29, 30, 32, 33, 35-39 and 42-69 should be reversed.

**I. REAL PARTY IN INTEREST**

The real party in interest is Heartland Payment Systems, Inc. of Princeton, New Jersey. Heartland Payment Systems, Inc. is the assignee of the entire right, title and interest in the present application.

**II. RELATED APPEALS AND INTERFERENCES**

Appellant and the Appellant's legal representatives are unaware of any appeals or interferences related to the present application which will directly affect or be directly affected by or have a bearing on the Board's decision in the pending appeal.

**III. STATUS OF CLAIMS**

Claims 1, 3-5, 7, 8, 10, 11, 13-17, 20-23, 25-27, 29, 30, 32, 33, 35-39 and 42-69 are under consideration in the above-referenced application, all of which have been finally rejected.

In particular, claims 1, 3-5, 7, 8, 10, 11, 13-17, 20-23, 25-27, 29, 30, 32, 33, 35-39 and 42-69 stand finally rejected under 35 U.S.C. § 103(a) as being unpatentable over U.S. Patent No. 6,877,093 issued to Desai et al. (hereinafter "Desai") in view of U.S. Patent No. 6,234,389 issued to Valliani et al. (hereinafter "Valliani") and U.S. Patent No. 6,963,908 issued to Lynch et al. (hereinafter "Lynch").

Claims 2, 6, 9, 12, 18, 19, 24, 28, 31, 34, 40 and 41 have been cancelled.

Appellant appeals from the final rejection of all pending claims 1, 3-5, 7, 8, 10, 11, 13-17, 20-23, 25-27, 29, 30, 32, 33, 35-39 and 42-69. A copy of all of the pending claims is attached hereto in the Appendix.

#### **IV. STATUS OF AMENDMENTS**

No amendments were made subsequent to the Final Office Action dated September 24, 2007.

#### **V. SUMMARY OF CLAIMED SUBJECT MATTER**

An exemplary embodiment of a method and apparatus of the present invention as recited in independent claims 1, 8, 23 and 30 provide a message for use in downloading an application to a card terminal via a network. A request to download an application to a particular card terminal is received via a network and is translated into a format corresponding to the particular card terminal. The request can include information for programming the card terminal with configuration options and be entered via a network connection remote from the card terminal. A message related to the translated request is transmitted to the particular card terminal upon detecting a particular activity at it such as closing of a batch or can be transmitted without waiting for detection of the activity. The message can be used for triggering downloading of the application to the card terminal. (see, e.g., page 2, lines 17-25, and pp. 19-20).

An exemplary embodiment of a method and apparatus of the present invention as recited in independent claims 16 and 38 provide information via a network

concerning activity at a card terminal. Upon detecting activity at a card terminal, information concerning the activity is generated for network transmission and display. The activity may include information relating to a processed batch or transaction at the card terminal. The information is transmitted to a particular user at a network connection remote from the card terminal. (see, e.g., page 3, lines 1-6, and pp. 19-20).

## **VI. GROUND S OF REJECTION TO BE REVIEWED**

The ground of rejection on appeal to be reviewed is whether the Examiner failed to establish a *prima facie* case that claims 1, 3-5, 7, 8, 10, 11, 13-17, 20-23, 25-27, 29, 30, 32, 33, 35-39 and 42-69, which stand rejected under 35 U.S.C. § 103(a), are unpatentable over Desai in view of Valliani and Lynch.

## **VII. ARGUMENTS**

### **1. Primary Prior Art relied on by the Examiner**

The Examiner relies on Desai, taken in combination with Valliani and Lynch, for maintaining the final rejection.

The Desai Patent describes a transaction processing device and system that is capable of remotely configuring the device using a secure connection. (See Desai Patent, col. 3, line 61 through col. 4, line 46; and Fig. 8). The Desai Patent further describes a system in which a subscriber accesses a web site of a provider, and selects a terminal to reconfigure. A server then communicates with the terminal, and executes the configuration protocol. (See *id.*, col. 12, line 56 through col. 13, line 40; and Fig. 8).



The Valliani Patent describes a portable transaction terminal which includes a PCMCIA-compliant computer and a separate module which has a PCMCIA interface and a reader capable of reading magnetic stripe data or smartcard data. (See Valliani Patent, Abstract; col. 2, lines 42-55; col. 4, lines 38-49; and FIG. 1). The portable transaction terminal of the Valliani Patent can be in communication with a remote host system. (See *id.*, col. 3, lines 1-4).

The Lynch Patent describes a method and system which allows transfer of programs and settings from one computer to a second computer via a web site, which allows the second computer to have the same environment and settings as the first computer. (See Lynch Patent, Abstract; and col. 3, line 3 through col. 4, line 44). The system and method of the Lynch Patent also can provide advertisements for goods or services during the transfer process, where the advertisements can be relevant to the information detected on the first computer, and allow the user to purchase such goods or services by submitting information such as credit card information or a mailing address, before resuming the transfer process. (See *id.*, col. 4, lines 45-52; and col. 9, lines 12-49).

## **2. Relevant Case Law and Procedure(s)**

### **35 U.S.C. § 103 Case Law**

“To reject claims in an application under Section 103, an examiner must show an un rebutted *prima facie* case of obviousness.” *In re Rouffet*, 47 U.S.P.Q.2d 1453, 1455 (Fed. Cir. 1998). The Supreme Court in *Graham v. John Deere*, 383 U.S. 1, 148 USPQ 459 (1966), stated:

Under Section 103, the scope and content of the prior art are to be determined; differences between the prior art and the claims at issue are to be ascertained; and the level of ordinary skill in the pertinent art resolved. Against this background, the obviousness or nonobviousness of the subject matter is determined.

Indeed, to sustain a rejection under 35 U.S.C. § 103(a), there must be some teaching, other than the instant application, to alter the prior art to arrive at the claimed invention. “The problem confronted by the inventor must be considered in determining whether it would have been obvious to combine the references in order to solve the problem.” *Diversitech Corp. v. Century Steps, Inc.*, 850 F.2d 675, 679 (Fed. Cir. 1998).

The objective standard for determining obviousness under 35 U.S.C. § 103, as set forth in *Graham v. John Deere, Co.*, 383 U.S. 1 (1966), requires a factual determination to ascertain: (1) the scope and content of the prior art; (2) the level of ordinary skill in the art; and (3) the differences between the claimed subject matter and the prior art. Based on these factual inquiries, it must then be determined, as a matter of law, whether or not the claimed subject matter as a whole would have been obvious to one of ordinary skill in the art at the time the alleged invention was made. *Graham*, 383 U.S. at 17. Courts have held that there must be some suggestion, motivation or teaching of the desirability of making the combination claimed by the applicant (the “TSM test”). See *In re Beattie*, 974 F.2d 1309, 1311-12 (Fed. Cir. 1992). This suggestion or motivation may be derived from the prior art itself, including references or disclosures that are known to be of special interest or importance in the field, or from the nature of the problem to be solved. *Pro-Mold & Tool Co. v. Great Lakes Plastics, Inc.*, 75 F.3d 1568, 1573 (Fed. Cir. 1996).

Although the Supreme Court criticized the Federal Circuit's application of the TSM test, see *KSR International Co. v. Teleflex Inc.*, 127 S. Ct. 1727, 1741, (2007) the Court also indicated that the TSM test is not inconsistent with the *Graham* analysis recited in the *Graham v. John Deere* decision. *Id.*; see *In re Translogic Technology, Inc.*, No. 2006-1192, 2007 U.S. App. LEXIS 23969, \*21 (October 12, 2007). Further, the Court underscored that "it can be important to identify a reason that would have prompted a person of ordinary skill in the relevant field to combine the elements in the way the claimed new invention does." *KSR*, 127 S. Ct. at 1741. Under the precedent established in *KSR*, however, the presence or absence of a teaching, suggestion, or motivation to make the claimed invention is merely one factor that may be weighed during the obviousness determination. *Id.* Accordingly, the TSM test should be applied from the perspective of a person of ordinary skill in the art and not the patentee, but that person is creative and not an automaton, constrained by a rigid framework. *Id.* at 1742. However, "the reference[s] must be viewed without the benefit of hindsight afforded to the disclosure." *In re Paulsen*, 30 F.3d 1475, 1482 (Fed. Cir. 1994).

The prior art cited in an obviousness determination should create a reasonable expectation, but not an absolute prediction, of success in producing the claimed invention. *In re O'Farrell*, 853 F.2d. 894, 903-04 (Fed. Cir. 1988). Both the suggestion and the expectation of success must be in the prior art, not in applicant's disclosure. *Amgen, Inc. v. Chugai Pharmaceutical Co., Ltd.*, 927 F.2d 1200, 1207 (Fed. Cir. 1991) (citing *In re Dow Chem. Co.*, 837 F.2d 469, 473 (Fed. Cir. 1988)). Further, the implicit and inherent teachings of a prior art reference may be considered under a Section 103 analysis. See *In re Napier*, 55 F.3d 610, 613 (Fed. Cir. 1995).

Secondary considerations such as commercial success, long-felt but unsolved needs, failure of others, and unexpected results, if present, can also be considered. *Stratoflex, Inc. v. Aeroquip Corp.*, 713 F.2d 1530, 1538-39 (Fed. Cir. 1983). Although these factors can be considered, they do not control the obviousness conclusion. *Newell Cos. v. Kenney Mfg. Co.*, 864 F.2d 757, 768 (Fed. Cir. 1988).

To establish obviousness, the prior art references must be evaluated as a whole for what they fairly teach and neither the references' general nor specific teachings may be ignored. *Application of Lundsford*, 357 F.2d. 385, 389-90 (CCPA 1966). A reference must be considered for all that it teaches, not just what purportedly points toward the invention but also that which teaches away from the invention. *Ashland Oil, Inc. v. Delta Resins & Refractories*, 776 F.2d. 281, 296 (Fed. Cir. 1985).

### **3. Issues on Appeal**

Appellants respectfully assert that Desai, taken alone or in combination with Valliani and/or Lynch, fails to teach or suggest the subject matter recited in independent claims 1, 8, 16, 23, 30 and 38 of the above-referenced application, and the claims which depend from these independent claims at least for the reasons provided in greater detail herein below.

#### **a. Claims 1, 3-5, 7, 23, 25-27, 29, 45, 46, 50, 51, 54, 57, 60, 62, 64, and 67**

Appellants' invention, as recited in independent claim 1, relates to a method for downloading an application to a card terminal from a remote network connection comprising, *inter alia*, **receiving from the remote network connection a**

**request** to download the application, **monitoring** the card terminal using the processing arrangement **to detect at least one activity of a financial transaction** performed at the card terminal, detecting the at least one activity performed at the card terminal, and **based on the detection procedure, electronically transmitting to the card terminal information related to the request** for use in downloading the application to the card terminal. Independent claim 23 relates to an apparatus which recites similar subject matter. Claims 3-5, 7, 25-27, 29, 45, 46, 50, 51, 54, 57, 60, 62, 64, and 67 depend from either independent claim 1 or independent claim 23.

It is respectfully asserted that in clear contrast to Appellants' claimed invention, Desai fails to teach, suggest or disclose the **detection of at least one activity of a financial transaction**, and based upon the detection, **electronically transmitting to the card terminal information related to the request** for use in downloading the application to the card terminal.

In the Final Office Action, the Examiner acknowledges that Desai does not teach the detection of at least one activity such as a financial transaction at a card terminal, and in response to the detection, the downloading of an application to the terminal. (See Final Office Action, page 4, lines 15-17). The Examiner then attempts to cure this deficiency by combining the reference of Desai with Lynch, and alleges that Lynch teaches "detecting a financial transaction (e.g., use of a credit card) at a terminal (e.g. PC, laptop, pda)," and in response to the detecting of the transaction, downloading a computer application to the terminal. (See Final Office Action, page 4, lines 17-20). Appellants respectfully disagree.

Appellants respectfully assert that the portions of Lynch relied on by the Examiner merely describe an electronic purchase of goods or services over a network, where a remote server sends advertisements to a PC, and a user can accept and advertisement or offer, or decline, and then if accepted, can enter certain information to purchase any desired goods or services from the advertisements, which may then be forwarded or mailed to the user. (See Lynch, col. 4, lines 45-52; and col. 9, lines 12-49). Moreover, the Examiner acknowledges that Lynch does not teach or suggest a system or method which relates to downloading of any application to a card terminal. (See Final Office Action, page 5, lines 2-3).

To cure this further deficiency of Lynch and Desai, the Examiner is forced to add yet another reference to the combination of the Desai and Lynch (i.e., Valliani), and states that this further reference describes a system and method for providing a point-of-sale terminal which includes a computer and a card reader apparatus. (See *id.*, lines 3-5). The Examiner goes on to allege that Valliani also describes a “download of associated software” at col. 2, lines 51-55. (See *id.*, lines 8-9). Appellants respectfully disagree.

Valliani describes software that is “loaded into and/or executed by the computer or PDA” where such software “which can be provided with module 200 or may be available from other sources including the manufacturer of device 10 [computer or PDA], would be loaded into device 10 [computer or PDA].” (See Valliani, col. 2, lines 50-55; and col. 6, lines 1-7). However, Valliani does not teach or suggest **downloading an application to a card terminal**. Moreover, Valliani does *not* teach or suggest any

downloading of an application to a card terminal ***from a remote network connection***, as recited in independent claims 1 and 23.

Appellants respectfully assert that the Examiner is also engaging in ***improper hindsight*** in constructing the alleged combination of Desai with Lynch, and then further with Valliani to assemble the features recited in independent claims 1 and 23. By “picking and choosing” missing elements as discussed above, the Examiner is believed to be employing an ***improper hindsight reconstruction***. “It is improper to use the inventor’s disclosure as a road map for selecting and combining prior art disclosures.” See *Grain Processing Corp. v. American Maize-Products Corp.*, 840 F.2d 902, 907 (Fed. Cir. 1988). “[T]he reference must be viewed without the benefit of hindsight afforded to the disclosure.” *In re Paulsen*, 30 F.3d 1475, 1482 (Fed. Cir. 1994).

In the Advisory Action dated January 10, 2008, the Examiner contends that the combined prior art “reads on a user at a computer terminal who desires to purchase software for updating the terminal to accommodate credit card transactions wherein the software is downloaded to the user after the user pays for the software (i.e. in response to a credit card transaction),” and points to the sections cited in the Final Office Action in support of such contentions. Appellants respectfully disagree.

Desai describes a system for remotely configuring a card terminal which ***does not require any kind of monitoring of the terminal, nor any detection of a financial transaction before transmitting information to the card terminal*** relating to the request. Lynch merely describes **a purchase of goods or services over a network in response to an advertisement**, where financial information can be

submitted by the purchaser and the goods or services are then mailed or forwarded. Valliani describes a point-of-sale device which includes a computer or PDA with an attached card reader module, which can utilize software stored in the card reader module or provided by the computer or pda manufacturer. First, even if combined the resultant combination still fails to teach, suggest or disclose detecting at least one activity of a financial transaction, and based upon the detection, electronically transmitting to the card terminal information related to the request for use in downloading the application to the card terminal, as recited in independent claims 1 and 23. Second, Appellants respectfully assert that there is absolutely no teaching suggestion, motivation or incentive to combine the remote reconfiguration method of Desai with both the network-based advertising and sales method of Lynch and the card reader terminal of Valliani to teach or suggest the subject matter recited in claims 1 and 23 of the above-referenced application. Indeed, one having ordinary skill in the art of the claimed invention would in no way be motivated or led to combine the cited references to produce the claimed invention.

In the Final Office Action, the Examiner alleges that it would have been obvious to one of ordinary skill to combine the teachings of Desai, Lynch and Valliani to allow “a small business owner, such as a flea market vendor, to convert a laptop or pda to a point-of-sale terminal and download associated software to facilitate card purchases without the need for a large dedicated e-commerce infrastructure.” (See Final Office Action, page 5, lines 5-12). Such alleged motivation is not taught or suggested by any of the references relied on by the Examiner or known by those having ordinary skill in the art, and a combination of such disparate references to obtain the



recitations of claims 1 and 23 would simply not be obvious to one of ordinary skill in the art. Again, it is believed that the Examiner is engaging in impermissible hindsight reconstruction. It is absolutely clear that one of ordinary skill in the art at the time this application was filed would in no way combine these references in a manner suggested by the Examiner. There would be no reason to do so, and the resultant combination would fail to operate as recited in independent claims 1 and 23.

Appellants thus respectfully assert that independent claims 1 and 23 would not be obvious to one of ordinary skill in view of the alleged combination of these three references relied on by the Examiner.

**b. Claims 8, 10, 11, 13-15, 30, 32, 33, 35-37, 47, 52, 55, 58, 61, 63, 65, and 68**

Appellants' invention, as recited in independent claim 8, relates to a method for **providing configuration data to a card terminal via a remote network connection** that comprises, *inter alia*, **receiving information from the remote network connection relating to configuring the card terminal** using a processing arrangement, generating configuration data from the information which enables or performs reconfiguration of the card terminal, **monitoring the card terminal** using the processing arrangement, **detecting at least one activity of a financial transaction performed at the card terminal**, and **based on the detection procedure, electronically transmitting the configuration data to the card terminal in order to reconfigure the card terminal**. Independent claim 30 relates to an apparatus which recites similar subject matter. Claims 10, 11, 13-15, 32, 33, 35-37, 47, 52, 55, 58, 61, 63, 65, and 68 depend from either independent claim 8 or independent claim 30.

Again, the Examiner acknowledges that Desai does not teach the detection of at least one activity such as a financial transaction at a card terminal, and in response to the detection, the downloading of an application to the terminal. (See Final Office Action, page 4, lines 15-17). The Examiner then attempts to cure this deficiency by combining Desai with Lynch, and alleges that Lynch teaches “detecting a financial transaction (e.g., use of a credit card) at a terminal (e.g. PC, laptop, pda),” and in response to the detecting of the transaction, downloading a computer application to the terminal. (See Final Office Action, page 4, lines 17-20). Appellants respectfully disagree.

As discussed above, the portions of Lynch relied on by the Examiner merely describe an electronic purchase of goods or services over a network. However, Lynch does *not* teach or suggest a system or method which relates to electronically transmitting configuration data to the card terminal in order to reconfigure the card terminal as recited in independent claims 8 and 30.

To cure this further deficiency of Lynch and Desai, the Examiner is forced to add yet another reference to the combination of Desai and Lynch (i.e., Valliani), and states that this further reference describes a system and method for providing a point-of-sale terminal which includes a computer and a card reader apparatus. (See Final Office Action, page 5, lines 3-5) The Examiner goes on to allege that Valliani also describes a “download of associated software” at col. 2, lines 51-55. (See *id.*, lines 8-9). Appellants respectfully disagree.

As described above, Valliani describes software that is “loaded into and/or executed by the computer or PDA” where such software can be provided

with the card reader module or may be available from other sources, including the manufacturer of the computer or PDA, and which would be loaded into the computer or PDA. (See Valliani, col. 2, lines 50-55; and col. 6, lines 1-7). However, Valliani does not teach or suggest **downloading an application to a card terminal**. Moreover, Valliani does not teach or suggest electronically transmitting configuration data to the card terminal in order to reconfigure the card terminal, as recited in independent claims 8 and 30. Appellants again assert that the Examiner is engaging in *impermissible hindsight* in constructing the alleged combination of Desai with Lynch and Valliani to assemble the features recited in independent claims 8 and 30.

First, even if combined, the resultant combination of references relied on by the Examiner *fails to teach all of the features* recited in claims 8 and 30, including detecting at least one activity of a financial transaction performed at a card terminal and, based on the detection procedure, electronically transmitting configuration data to the card terminal in order to reconfigure the card terminal. Indeed, Desai is the only reference relied on by the Examiner which relates to configuring a card terminal. However, neither Desai, Lynch nor Valliani teach or suggest detecting an activity of a financial transaction performed at a card terminal and, based on the detection procedure, electronically transmitting configuration data to the card terminal, as recited in independent claims 8 and 30. The only “detection” feature cited by the Examiner in Lynch relates to an ordinary purchase transaction over a network, where a server sends an advertisement to a user, and the user can purchase goods or services offered by entering certain information which may include an address or a credit card information. (See Final Office Action,

page 4; and Lynch, col. 4, lines 45-52; and col. 9, lines 12-49). In contrast, this detection is not of an activity at a financial transaction performed at a card terminal.

Second, Appellants respectfully assert that there is absolutely no teaching suggestion, motivation or incentive to combine the remote reconfiguration method of Desai with both the network-based advertising and sales method of Lynch and the card reader terminal of Valliani to teach or suggest the subject matter recited in claims 8 and 30 of the above-referenced application. Indeed, one having ordinary skill in the art of the claimed invention would in no way be motivated or led to combine the cited references to produce such claimed invention.

In the Final Office Action, the Examiner alleges that it would have been obvious to one of ordinary skill to combine the teachings of Desai, Lynch and Valliani to allow “a small business owner, such as a flea market vendor, to convert a laptop or pda to a point-of-sale terminal and download associated software to facilitate card purchases without the need for a large dedicated e-commerce infrastructure.” (See Final Office Action, page 5, lines 5-12). Such alleged motivation is not taught or suggested by any of the references relied on by the Examiner, or known by those having ordinary skill in the art, and a combination of such disparate references to obtain the recitations of claims 8 and 30 would simply not be obvious to one of ordinary skill in the art. Again, it is believed that the Examiner is engaging in impermissible hindsight reconstruction. It is absolutely clear that one of ordinary skill in the art at the time this application was filed would in no way combine these references in a manner suggested by the Examiner. There would be no reason to do so, and the resultant combination would fail to operate as recited in independent claims 8 and 30.

Appellants thus respectfully assert that independent claims 8 and 30 would not be obvious to one of ordinary skill in view of the alleged combination of these three references relied on by the Examiner.

**c. Claims 16, 17, 20-22, 38, 39, 42-44, 48, 49, 53, 56, 59, 66, and 69**

Appellants' invention, as recited in independent claim 16, relates to a method for providing information to a remote network connection concerning activity at a card terminal which comprises, *inter alia*, **monitoring the card terminal** using a processing arrangement **to detect an activity of a financial transaction performed at the card terminal**, **detecting the activity** performed at the card terminal and, **based on the detection procedure, generating information relating to the activity** for network transmission and display. Independent claim 38 relates to an apparatus which recites similar subject matter. Claims 17, 20-22, 39, 42-44, 48, 49, 53, 56, 59, 66, and 69 depend from either independent claim 16 or independent claim 38.

Again, the Examiner acknowledges that Desai does not teach the detection of at least one activity such as a financial transaction at a card terminal, and in response to the detection, the downloading of an application to the terminal. (See Final Office Action, page 4, lines 15-17). The Examiner then attempts to cure this deficiency by combining Desai with Lynch, and alleges that Lynch teaches "detecting a financial transaction (e.g., use of a credit card) at a terminal (e.g. PC, laptop, pda)," and in response to the detecting of the transaction, downloading a computer application to the terminal. (See Final Office Action, page 4, lines 17-21). Appellants respectfully disagree.

As discussed above, the sections of Lynch relied on by the Examiner merely describes an electronic purchase of goods or services over a network. (See Lynch, col. 4, lines 45-52; and col. 9, lines 12-49). Lynch does *not* teach or suggest any use of a card terminal. Moreover, Lynch, either alone or in an alleged combination with Desai, *fails* to teach or suggest monitoring such card terminal to detect an activity of a financial transaction performed at the card terminal, detecting the activity and, based on the detection procedure, generating information relating to the activity for network transmission and display as recited in independent claims 16 and 38.

To cure this further deficiency in the alleged combination of Lynch with Desai, the Examiner relies on Valliani, which describes a system and method for providing a point-of-sale terminal which includes a computer and a card reader apparatus. (See Final Office Action, page 5, lines 3-5). However, even if combined with Desai and Lynch, Valliani *fails* to teach or suggest the claimed recitation of monitoring a card terminal to detect an activity of a financial transaction performed at the card terminal, much less detecting the activity and, based on the detection procedure, generating information relating to the activity for network transmission and display as recited in independent claims 16 and 38. The only “detection” feature cited by the Examiner in Lynch relates to an ordinary purchase transaction over a network, where a server sends an advertisement to a user, and the user can purchase goods or services offered by entering certain information which may include an address or a credit card information. (See Final Office Action, page 4; and

Lynch, col. 4, lines 45-52; and col. 9, lines 12-49). In contrast, this detection is not of an activity of a financial transaction performed at a card terminal.

Moreover, Appellants respectfully assert that there is absolutely no teaching suggestion, motivation or incentive to combine the remote reconfiguration method of Desai with both the network-based advertising and sales method of Lynch and the card reader terminal of Valliani to teach or suggest the subject matter recited in claims 16 and 38 of the above-referenced application. Indeed, one having ordinary skill in the art of the claimed invention would in no way be motivated or led to combine the cited references to produce the claimed invention.

The Examiner alleges that, with respect to claims 16 and 21, the configuration server described in Desai “can format information for display.” (See Final Office Action, page 6, lines 5-8). However, as described above, Desai, either alone or in an alleged combination with Lynch and Valliani, ***fails*** to teach or suggest all of the features recited in independent claims 16 and 38, such as **monitoring a card terminal to detect an activity of a financial transaction performed at the card terminal**, much less **detecting the activity** and, **based on the detection procedure, generating information relating to the activity for network transmission and display**.

In the Final Office Action, the Examiner contends that it would have been obvious to one of ordinary skill to combine the teachings of Desai, Lynch and Valliani to allow “a small business owner, such as a flea market vendor, to convert a laptop or pda to a point-of-sale terminal and download associated software to facilitate card purchases without the need for a large dedicated e-commerce infrastructure.” (See Final Office Action, page 5, lines 5-12). Such alleged motivation is not taught or

suggested by any of the references relied on by the Examiner or known by those of ordinary skill in the art, and a combination of such disparate references to obtain the recitations of claims 16 and 38 would simply not be obvious to one of ordinary skill in the art. Again, it is believed that the Examiner is engaging in impermissible hindsight reconstruction. It is absolutely clear that one of ordinary skill in the art at the time this application was filed would in no way combine these references in a manner suggested by the Examiner. There would be no reason to do so, and the resultant combination would fail to operate as recited in independent claims 16 and 38.

Appellants thus respectfully assert that independent claims 16 and 38 would not be obvious to one of ordinary skill in view of the alleged combination of these three references relied on by the Examiner.

**d. Claims 5 and 38**

Claim 5 depends from claim 1, and relates to a method for downloading an application to a card which comprises the steps of, *inter alia*, **transmitting the information upon detecting a command corresponding to closing of a batch of data** associated with a plurality of financial transactions at the card terminal. Independent claim 38 relates to an apparatus for providing information concerning card terminal activity to a remote network location which comprises a processing arrangement that is configured to, *inter alia*, **generate, upon detection of the activity, the information for network transmission and display**. The Examiner alleges that this language does not limit the scope of the claim because it suggests or makes



optional but does not require steps to be performed.<sup>1</sup> (See Final Office Action, page 5, lines 13-21). Appellants respectfully disagree.

As recited in claim 5, the information **is** transmitted **upon detecting a command corresponding to closing of a batch of data**. Similarly, in claim 38, information ***is*** generated **upon detection of the activity of the financial transaction**. Appellants respectfully assert that the transmission or generation of the information as recited in claims 5 and 38 ***is not*** “suggested or optional.” Such transmission or generation ***does*** indeed occur when the command (claim 5) or activity (claim 38) is detected, and are **required**. Appellants respectfully assert that these recited features are definite, and clearly do not fall within the scope of M.P.E.P. §2106 II C, as alleged by the Examiner.

Therefore, in view of the above, Appellants respectfully submit that Desai, taken alone or in combination with Valliani and/or Lynch, fails to teach, suggest or disclose the subject matter recited in independent claims 1, 8, 16, 23, 30 and 38. The claims which depend from these independent claims are also believed to be allowable over the cited references for at least the same reasons as set forth herein above.

Thus, for at least the reasons described above, Appellants respectfully request the Board to reverse the Examiner’s 35 U.S.C. § 103(a) rejection of claims 1, 3-5, 7, 8, 10, 11, 13-17, 20-23, 25-27, 29, 30, 32, 33, 35-39 and 42-69.

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<sup>1</sup> Claim 37, also referred to by the Examiner in this regard, does not recite “upon detecting...”

**4. Conclusion**

For at least the reasons indicated above, Appellants respectfully submit that the invention recited in the presently rejected claims of the present application, as discussed above, is new, non-obvious and useful. Reversal of the Examiner's final rejection of the claims is therefore respectfully requested.

Respectfully submitted,

Dated: April 24, 2008

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**CLAIMS APPENDIX**

Claims as currently pending:

1. A method for downloading an application to a card terminal from a remote network connection, comprising:
  - receiving from the remote network connection a request to download an application to the card terminal using a processing arrangement;
  - monitoring the card terminal using the processing arrangement to detect at least one activity of a financial transaction performed at the card terminal;
  - detecting the at least one activity performed at the card terminal; and
  - based on the detection procedure, electronically transmitting to the card terminal information related to the request for use in downloading the application to the card terminal.
2. (Canceled)
3. The method of claim 1 wherein the receiving step includes receiving the request via a web page.
4. The method of claim 1 further comprising the step of generating a data stream for transmission to the card terminal.

5. The method of claim 1 wherein the transmitting step includes transmitting the information upon detecting a command corresponding to closing of a batch of data associated with a plurality of financial transactions at the card terminal.
6. (Canceled)
7. The method of claim 1, further comprising downloading the application to the card terminal.
8. A method for providing configuration data to a card terminal via a remote network connection, comprising:
  - receiving information from the remote network connection relating to configuring the card terminal using a processing arrangement;
  - generating configuration data from the information which at least one of enables or performs reconfiguration of the card terminal according to the received information;
  - monitoring the card terminal using the processing arrangement;
  - detecting at least one activity of a financial transaction performed at the card terminal; and
  - based on the detection procedure, electronically transmitting the configuration data to the card terminal in order to reconfigure the card terminal according to the configuration data.

9. (Canceled)
10. The method of claim 8 wherein the receiving step includes receiving the information via a web page.
11. The method of claim 8 wherein the generating step includes generating a data stream for transmission to the card terminal.
12. (Canceled)
13. The method of claim 8 wherein the information comprises at least one of (i) an indication of information to be printed on a receipt at the card terminal; (ii) an indication of audio information to be generated by the card terminal; or (iii) an indication of visual information to be displayed on the card terminal.
14. The method of claim 8 wherein the receiving step includes receiving the information from a network connection remote from the card terminal.
15. The method of claim 8 wherein the transmitting step includes transmitting a message to the card terminal relating to triggering of downloading of the configuration data.

16. A method for providing information to a remote network connection concerning activity at a card terminal, comprising:
  - monitoring the card terminal using a processing arrangement to detect at least one activity of a financial transaction performed at the card terminal;
  - detecting the at least one activity performed at the card terminal; and
  - based on the detection procedure, generating information relating to the at least one activity for network transmission and display.
17. The method of claim 16, further comprising performing the detection of the at least one activity in real-time.
18. (Canceled)
19. (Canceled)
20. The method of claim 19, further comprising transmitting the information for display in the web page.
21. The method of claim 16 wherein the generating step includes translating the information into a format for display in a screen.

22. The method of claim 16, wherein the information comprises at least one of an amount of a purchase at the card terminal; a local time of the purchase; or an identification of a location of the card terminal.
23. An apparatus for downloading of an application to a card terminal via a network, comprising a processing arrangement configured to:
- receive via a remote network connection a request to download an application to the card terminal;
  - monitor the card terminal to detect at least one activity of a financial transaction performed at the card terminal;
  - detect the at least one activity; and
  - transmit information related to the request for use in downloading the application to the card terminal, upon detecting the at least one activity performed at the card terminal.
24. (Canceled)
25. The apparatus of claim 23, further comprising a module configured to receive the request via a web page.
26. The apparatus of claim 23, further comprising a module configured to generate a data stream for transmission to the card terminal.

27. The apparatus of claim 23, further comprising a module configured to transmit the message upon detecting a command corresponding to closing of a batch of data associated with a plurality of financial transactions at the card terminal.
28. (Canceled)
29. The apparatus of claim 23, wherein the processing arrangement is further configured to download the application to the card terminal.
30. An apparatus for providing configuration data to a card terminal, comprising a processing arrangement configured to:
- receive information from a remote network connection relating to configuring the card terminal;
  - generate from the received information configuration data for use in configuring the card terminal according to the received information;
  - monitor the card terminal;
  - detect at least one activity of a financial transaction performed at the card terminal; and
  - transmit the configuration data to the card terminal upon detecting the at least one activity.
31. (Canceled)



- 32. The apparatus of claim 30, further comprising a module configured to receive the information via a web page.
- 33. The apparatus of claim 30, further comprising a module configured to generate a data stream for transmission to the card terminal.
- 34. (Canceled)
- 35. The apparatus of claim 30 wherein the information comprises at least one of (i) an indication of information to be printed on a receipt at the card terminal; (ii) an indication of audio information to be generated by the card terminal; or (iii) an indication of visual information to be displayed on the card terminal.
- 36. The apparatus of claim 30, further comprising a module configured to receive the information from a network connection remote from the card terminal.
- 37. The apparatus of claim 30, further comprising a module configured to transmit a message to the card terminal relating to triggering of downloading of the configuration data.
- 38. An apparatus for providing information to a remote network location concerning activity at a card terminal, comprising a processing arrangement configured to:
  - monitor the card terminal;

detect at least one activity of a financial transaction performed at the card terminal;

generate, upon detection of the at least one activity at the card terminal, information relating to the at least one activity performed at the card terminal for network transmission and display; and

transmit the information to the remote network connection based on the detection procedure.

39. The apparatus of claim 38, further comprising a module configured to perform the detecting and transmitting in real-time.
40. (Canceled)
41. (Canceled)
42. The apparatus of claim 39, further comprising a module configured to transmit the information for display in a web page.
43. The apparatus of claim 38, further comprising a module configured to translate the activity into a format for display in a screen.

- 44. The apparatus of claim 38, wherein the information comprises at least one of an amount of a purchase at the card terminal, a local time of the purchase, or an identification of a location of the card terminal.
- 45. The method of claim 1 further comprising translating the request into a format corresponding to the card terminal.
- 46. The method of claim 1 wherein the at least one activity is at least one of a request to process a financial transaction or a closing of a batch of data associated with a plurality of financial transactions.
- 47. The method of claim 8 wherein the at least one activity is at least one of a request to process the financial transaction or a closing of a batch of data associated with a plurality of financial transactions.
- 48. The method of claim 16 further comprising transmitting the information to a user at the remote network connection.
- 49. The method of claim 16 wherein the at least one activity is at least one of a request to process the financial transaction or a closing of a batch of data associated with a plurality of financial transactions.
- 50. The apparatus of claim 23 further comprising a translate module for translating the request into a format corresponding to the card terminal.

51. The apparatus of claim 23 wherein the at least one activity is at least one of a request to process the financial transaction or a closing of a batch of data associated with a plurality of financial transactions.
52. The apparatus of claim 30 wherein the at least one activity is at least one of a request to process the financial transaction or a closing of a batch of data associated with a plurality of financial transactions.
53. The apparatus of claim 38 wherein the at least one activity is at least one of a request to process the financial transaction or a closing of a batch of data associated with a plurality of financial transactions.
54. The method of claim 1, wherein the processing arrangement further comprises a storage arrangement containing information associated with configuration of the card terminal.
55. The method of claim 8, wherein the processing arrangement further comprises a storage arrangement containing information associated with configuration of the card terminal.
56. The method of claim 16, wherein the processing arrangement further comprises a storage arrangement containing information associated with configuration of the card terminal.
57. The apparatus of claim 23, wherein the processing arrangement further comprises a storage arrangement containing information associated with configuration of the card terminal.

- 58. The apparatus of claim 30, wherein the processing arrangement further comprises a storage arrangement containing information associated with configuration of the card terminal.
- 59. The apparatus of claim 38, wherein the processing arrangement further comprises a storage arrangement containing information associated with configuration of the card terminal.
- 60. The method of claim 1, wherein the monitoring step is performed based on the receiving step.
- 61. The method of claim 8, wherein the monitoring step is performed based on the receiving step.
- 62. The apparatus of claim 23, wherein the processing arrangement is further configure to monitor the card terminal based on receiving the request.
- 63. The apparatus of claim 30, wherein the processing arrangement is further configure to monitor the card terminal based on receiving the information.
- 64. The method of claim 1, wherein the at least one activity comprises at least one of a use of a debit card, a use of a credit card, a request for electronic payment, or closing of a batch of data associated with a plurality of financial transactions.
- 65. The method of claim 8, wherein the at least one activity comprises at least one of a use of a debit card, a use of a credit card, a request for electronic payment, or closing of a batch of data associated with a plurality of financial transactions.

- 66. The method of claim 16, wherein the at least one activity comprises at least one of a use of a debit card, a use of a credit card, a request for electronic payment, or closing of a batch of data associated with a plurality of financial transactions.
- 67. The apparatus of claim 23, wherein the at least one activity comprises at least one of a use of a debit card, a use of a credit card, a request for electronic payment, or closing of a batch of data associated with a plurality of financial transactions.
- 68. The apparatus of claim 30, wherein the at least one activity comprises at least one of a use of a debit card, a use of a credit card, a request for electronic payment, or closing of a batch of data associated with a plurality of financial transactions.
- 69. The apparatus of claim 38, wherein the at least one activity comprises at least one of a use of a debit card, a use of a credit card, a request for electronic payment, or closing of a batch of data associated with a plurality of financial transactions.

**EVIDENCE APPENDIX**

Nothing to include.

**RELATED PROCEEDINGS APPENDIX**

Nothing to include.